STATE OF IOWA

DEPARTMENT OF COMMERCE

UTILITIES BOARD

IN RE:

ESSENTIAL.COM, INC.

DOCKET NOS. TCU-00-20 WRU-00-10-3372

ORDER GRANTING APPLICATION, APPROVING CONCURRENCE IN MAPS, AND GRANTING WAIVERS

(Issued June 27, 2000)

On April 3, 2000, essential.com, inc. (Essential), filed an application for issuance of a certificate of public convenience and necessity, pursuant to lowa Code § 476.29 (1999), stating its intention to provide resold local exchange service in lowa. According to its application, Essential intends to provide service in the exchanges currently served by U S WEST Communications, Inc. (U S WEST). Essential will adopt the current maps, as well as any future changes to the maps, of U S WEST. Proposed tariffs have not been filed by Essential.

lowa Code § 476.29(2) (1999) provides that the local exchange carrier shall not be denied a certificate if the Utilities Board (Board) finds that the applicant "possesses the technical, financial, and managerial ability to provide the service it proposes to render and the board finds the service is consistent with public interest." The Board has carefully reviewed Essential's application and finds Essential has demonstrated that it has the necessary technical, financial, and managerial ability to provide local exchange service. It is in the public interest to grant a certificate to Essential.

Essential has stated that it will implement 2-PIC technology for both intraLATA and interLATA dialing parity.

Essential requested a waiver of 199 IAC 16.5(2), which requires it to use a prescribed system of accounts, stating it employs an accounting system in accordance with generally accepted accounting principles (GAAP). A waiver was also requested of 199 IAC 18.2, which requires utilities to keep all records within the state. Essential represents that it will maintain its books and records at its principal place of business in Burlington, Massachusetts, and will provide the Board with copies of its books and records upon request.

Essential also requested the Board waive 199 IAC 22.3(1), requiring it to independently publish a directory, stating that it will enter into an agreement with the incumbent local exchange carrier to ensure that all of Essential's customers are listed in the incumbent's directories.

The Board finds it reasonable to grant Essential's requests for waivers. Based on the nature of the local exchange service Essential will provide, the Board finds that none of these requirements are appropriate at this time. The Board will be able to adequately review the records if it becomes necessary. Until or unless Essential serves a very large number of customers, it is unnecessary for it to publish a separate directory in lowa.

IT IS THEREFORE ORDERED:

- 1. The application for a certificate of public convenience and necessity filed by essential.com, inc., on April 3, 2000, is granted, subject to the requirement that follows.
- 2. At the time essential.com, inc., files tariffs with the Board, it must give notice to all affected local exchange carriers. Upon approval of tariffs to reflect the prices, terms, and conditions of local exchange service in Iowa offered by essential.com, inc., the Board will issue a certificate of public convenience and necessity allowing it to provide local exchange service in Iowa.
- 3. The concurrence in the U S WEST Communications, Inc., maps and boundaries by essential.com, inc., is approved.
- 4. Essential's requests for waiver of 199 IAC 16.5(2), 18.2, and 22.3(1) are granted.

UTILITIES BOARD

/s/ Allan T. Thoms /s/ Susan J. Frye ATTEST: /s/ Raymond K. Vawter, Jr.

Dated at Des Moines, Iowa, this 27th day of June, 2000.

Executive Secretary